

Message Text

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ACTION XMB-07

INFO OCT-01 NEA-10 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 DRC-01 FAA-00 MC-02 PM-07

EUR-25 AF-10 L-03 /135 W

----- 052041

R 271051Z FEB 74

FM AMEMBASSY AMMAN

TO SECSTATE WASHDC 0724

AMEMBASSY BEIRUT

LIMITED OFFICIAL USE AMMAN 1003

E.O. 11652: N/A

TAGS: ETRN, EGEN, JO

SUBJECT: ALIA PURCHASE OF ADDITIONAL 727

REFERENCE: BEIRUT 2062 STATE 035973 AMMAN 0539

BEIRUT FOR RCAA

1. RE BEIRUT 2062, CONFIRMED. GHANDOUR IN U.S. AND NEGOTIATING WITH EXIM FOR FINANCING AND GUARANTEE COVER PURCHASE THIRD 727-200 ADVANCED. IN FACT, GOT LONG DISTANCE CALL FROM GHANDOUR ADVISING US WHAT HE UP TO NOW.

2. EMBASSY HAS NO OBJECTION EXIM FINANCING ADDITIONAL PURCHASE PER STATE 035973.

3. PER AMMAN 0539, FOR FIRST TIME IN HISTORY ALIA OPERATED IN BLACK DURING 1973 IN SPITE THREE MONTHS DEFICIT (OCTOBER THROUGH DECEMBER) CAUSED BY OCTOBER WAR.
ACCORDING PANAM TAP MISSION DIRECTOR AND ACTING DEPUTY
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DIRECTOR OF ALIA, KEN FENERE, ALIA PROFIT FOR 1973 WAS

JJU198,206. MEANWHILE, GOJ BUDGET DIRECTOR, OBAID, ADVISES THAT GOJ SUBSIDY TO ALIA FOR 1973 WAS JD 282,000 WHICH WAR RISK INSURANCE AND LOSSES INCURRED ON AMMAN/AQABA ROUTE.

4. AS WE HAVE PREVIOUSLY REPORTED, GHANDOUR FIRMLY BELIEVES THAT GOJ SHOULD ASSUME SOME PORTION ALIA BURDEN PARTICULARLY DURING TIMES OF CRISES. ALTHOUGH GHANDOUR UNDERSTANDS OUR OBJECTION TO SUBSIDY, HE CONTENDS THAT GOJ SHOULD STILL ASSUME WAR RISK INSURANCE PAYMENTS BECAUSE OF NATIONAL PRESTIGE GENERATED BY RED AND GOLD BIRDS SETTING DOWN AT INTERNATIONAL AIRPORTS ALL OVER WORLD. UNTIL ALIA CONSISTENTLY ABLE GENERATE PROFITS, GOJ WILL PROBABLY CONTINUE SUBSIDY ALTHOUGH AT REDUCED LEVELS.

5. EMBASSY HAS NO OBJECTION CONTINUED EXIM FINANCING ALIA EQUIPMENT PURCHASES BECAUSE AIRLINE HAS PROVEN (FINALLY) THAT IT CAN GENERATE ITS OWN REVENUE AND BECOME LESS AND LESS BURDEN ON GOJ BUDGET SUPPORT. ALIA IS ALSO ACTIVELY PROMOTING TOURISM, DIRECTLY THROUGH ROUTES SERVICED AND INDIRECTLY THROUGH AGGRESSIVE PROMOTIONAL ACTIVITIES OF GHANDOUR. AIRLINE ALSO VEHICLE FOR EXPORT JORDANIAN MATERIAL AND PRODUCE. GRAHAM

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUPPLEMENTAL AIRLINES, AIRCRAFT SALES, BANK LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974AMMAN01003
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: AMMAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974027/aaaaafzd.tel
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Locator: TEXT ON-LINE
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Original Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: BEIRUT 2062 STATE 035973 AMMAN 0539
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Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 21 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 AUG 2002 by elyme>; APPROVED <04-Sep-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ALIA PURCHASE OF ADDITIONAL 727
TAGS: ETRN, EGEN, JO, XMB
To: STATE BEIRUT
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005